

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7137**

**BILL NUMBER: HB 1585**

**DATE PREPARED:** Feb 18, 1999

**BILL AMENDED:**

**SUBJECT:** Indiana Civil Rights Commission.

**FISCAL ANALYST:** Bernadette Bartlett

**PHONE NUMBER:** 232-9586

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
X **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill transfers jurisdiction over age discrimination proceedings from the Commissioner of Labor to the Indiana Civil Rights Commission. The bill adds references to age discrimination to various statutes dealing with discriminatory activity.

The bill also provides that the Commission may award reasonable attorneys' fees and costs against a person who has been found to have engaged in an unlawful discriminatory practice. A complainant or respondent may elect to commence a civil action concerning a discriminatory practice in a state court without the consent of the other party. This bill limits the time in which a civil action may be brought. The Commission may bring a civil action concerning a discriminatory practice in a state court, and the Commission may intervene as a party in a civil action concerning a discriminatory practice.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** (Revised) This bill transfers jurisdiction over age discrimination proceedings from the Commissioner of Labor to the Indiana Civil Rights Commission. The Indiana Civil Rights Commission is also authorized to award reasonable attorneys' fees and costs against a person who has been found to have engaged in an unlawful discriminatory practice. (The ability to award actual damages is not limited to cases of age discrimination. Actual damages could be awarded, when justified, in any case for which the Commission has jurisdiction, which, under current law, includes cases of discrimination based on race, religion, color, sex, disability, national origin, or ancestry.) Currently, the Commission may only award losses incurred by a complainant as a result of the discriminatory treatment. Providing for actual damages and for jurisdiction over age discrimination cases will increase the Commission's caseload; however, the Commission may be able to absorb any additional expenses given their current budget.

The Department of Labor reports that fewer than 10 cases of age discrimination are filed each year, noting that the majority of cases are filed at the federal level. At the federal office, over 1,000 cases involving age discrimination were filed in 1998. This proposal should not decrease staffing expenses for the Department because the caseload is minimal and staff currently used to work on age discrimination cases would be used in other areas in the Department. On the other hand, the number of cases of age discrimination filed could increase significantly if the Civil Rights Commission receives jurisdiction because of the reparation that the Commission is able to offer. (If the Commissioner of the Department of Labor finds that an employer has discriminated against an employee because of the employee's age, the only redress available to the Commissioner is to issue a finding. The Commissioner may collect wages that might have been due through other employment laws. In practice, the Department of Labor often refers complainants to the state or federal level.)

A complainant or respondent may elect to commence a civil action concerning a discriminatory practice in a state court without the consent of the other party. Currently, without the consent of both parties, the parties must exhaust all state administrative procedures before the case can be taken to a state court. This provision could decrease the caseload at the Commission while increasing the caseload of state courts. The impact of this provision, however, is not expected to be significant.

The Commission may bring a civil action concerning a discriminatory practice in a state court, and the Commission may intervene as a party in a civil action concerning a discriminatory practice. This provision may increase administrative activity by the Commission; however, the Commission will probably be able to handle any increase in expenses resulting from this provision given its current budget.

This bill limits the time in which a civil action may be brought. This provision could decrease expenses to the Commission to the extent that cases that might have been filed after the new time frame will no longer be filed. The impact of this provision would depend on the number and nature of cases that would have been filed had the proposed time frame not been imposed. The impact is indeterminable but not expected to be significant.

*As a point of information*, the Commission received 1,022 complaints in fiscal year 1998. Of this total, 782 complaints involved alleged discrimination in employment. The Commission disposed of 828 cases. In 35% of the cases, the Commission found no probable cause; 27% resulted in a settlement; and 25% resulted in administrative closure. (Administrative closure occurs when the Commission finds a lack of jurisdiction, parties fail to proceed, an agreement is reached, etc.) The remaining cases, approximately 13%, were either withdrawn, probable cause was found, and/or a final order was issued.

**Explanation of State Revenues:** This bill could increase state revenue only to the extent that the Commission receives federal reimbursement for certain cases. If the proposal increases the number of cases for which the Commission receives federal reimbursement, revenues could increase. The impact is indeterminable.

**Explanation of Local Expenditures:** The above provision would affect local civil rights entities if the changes in the law encourage complainants to file at the state level as opposed to at the local level. Currently, a complainant may file locally or at the state.

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana Civil Right Commission.

**Local Agencies Affected:** Local Civil Rights Commissions.

**Information Sources:** Rebecca Dulin, Legislative Liaison, Indiana Civil Rights Commission (317) 232-2636; Pete Remson, Legislative Liaison, and David Finnegan, Field Auditor, Department of Labor (317) 233-9351 and (317) 232-2673, respectively.